ONEOTA CO-OP BOARD MEETING
Senior Center, Decorah
January 29, 2009

Present were board members: Steve P., Georgie K., Joan L., Onita M., Lyle L. and Toni S.
Absent: Keith L.
GM present: Interim GM Michelle Schry, GM Troy Bond
Others present: approximately 150-200 coop members

President Steve P. called the meeting to order at 5:07 pm. He reviewed the agenda for the board meeting. He said that one of the central tenets of the board is that it speaks with one voice. The board created a response to address the questions and comments it had received over the last several weeks. Steve P. will read that later in the meeting. There will then be time for member comments. The goal is to move the discussion forward.

Agenda Review – The board added an agenda item, to approve the names of Co-op personnel who would be authorized to sign checks.

Introductions – Steve P. introduced the Co-op's new general manager, Troy Bond, who started work this week. Steve told a little bit about the search process and how Troy came to be with us. The board was especially impressed with his track record of managerial experience, especially financial management, and with his passion for local and naturally-grown foods.

Troy said he looked forward to seeing everyone at the Co-op. His goal will be to have the Co-op continue to be a thriving part of downtown Decorah, in fact, the heart and soul of Decorah.

Board members introduced themselves and told a little about their "day jobs."

Steve P. introduced Barb Ettleson, who had agreed to act as a facilitator for the member comment section of the meeting. The board thanked her for serving the Co-op in this capacity.

Barb Ettleson said she appreciated the turnout for the meeting. She thought members had an opportunity here, to work together. All have an equal voice, the board, the staff, and the membership. She asked the participants to deal with each other with respect and listen to each other. She hoped everyone would work well with each other. Barb's role was to act as neutral gatekeeper. She asked that members try to stay through the entire meeting. Much information would be shared. It is vital that members come to some understanding of the situation.

Barb reviewed the outline of the topics to which the board had prepared a written response:

1. Why restructure and lay off Liz Rog?
2. Are we more than our bottom line?
3. How much can/should the board protect former co-managers?
4. Does the board adequately oversee the GM?

5. Is the board too isolated from the staff?
6. What accounts for our financial condition?
Barb asked if members had other questions that they would like the board to address. The following were suggested:

1. What is the role of the board in a situation like this?
2. Was the personnel policy manual followed with respect to Liz's layoff, and was Liz's layoff different than the others in respect to the financial implications?
3. Is the reason given for Liz's layoff actually a reflection of the true reason? Are we following Co-op values? Does the board have a role to intervene to ensure that Co-op values are being followed?
4. Has something happened since the Co-op moved to the new store? Has the definition of the Co-op, and what it represents to the members, somehow been redefined without the membership knowing about it? Has there been a situational revision of the Co-op's principles that members are not aware of?
5. Can we frame the discussion in larger way? Where would the ongoing movement towards professionalism take the Co-op in the next five years? Look for a bigger frame of reference.
6. What has the board learned from this experience? Ranging from Christopher's tenure as GM to Liz's layoff.
7. With regard to the upcoming election, why did the board choose to distinguish between board-recommended candidates and candidates nominated by petition? It has never been that way before.

Barb noted that the board speaks with one voice. It may need time for discussion and reflection before it can answer the questions.

<u>GM Policy Monitoring – Interim GM Financial Report</u> - Michelle Schry gave a presentation on the financial situation of the Co-op. This will wrap up her period as interim GM. Her aim in this final report was to give a clear understanding of where Oneota has traveled, financially, over the last year, and where it stands starting off 2009.

Sales growth for 2008 year was excellent, although it was not as high as budgeted. Total sales of $3.039 million represented a 49.2% increase in sales over 2007. Current economic conditions have created a difficult environment for everyone in the natural foods sector. Even Whole Foods is, for the first time, seeing diminishing sales. Sales for the first four weeks in 2009 was up 19.77% compared to a year ago. In comparing to last year, however, we must keep in mind that the business was closed for a few days during January 2008 for the move to the new store. Michelle suggests a target of 6% sales growth for 2009.

The gross profit margin was 36.67% for 2008, which is a reasonable margin. Michelle was impressed with the consistency of gross margin over the year. Member discounts were .75% of sales, which was not excessive.

Payroll expenses in 2008 were 30.06% of sales. Michelle noted that new stores often see a spike in labor expenses, but Oneota's spike was dramatic and outside the realm of normal. A labor percentage of 30% is not a sustainable. That has been the biggest drag on cash flow over the last 12 months.

Depreciation was 1.87% of sales, which was a very reasonable load. Utilities were 1.47% of sales. Electric accounted for 1.17% of utility costs. There are some facilities issues with the HVAC system that will need to be resolved.

The Net Income for the year was a loss, -$109,582.96, which was -3.61% of sales. This would not be out of line for the first year in a new store if the cash position were better and labor costs and inventory turns were where they should be.

Oneota entered into a position of negative working capital during the 4th quarter 2008. The current ratio was less than 1:1, meaning that the Co-op no longer had current assets sufficient to meet the liabilities it is likely to have over the next 12 months. Michelle said the store has slowed its loss of cash, but it has not turned the corner.

Oneota needs an additional $30,000-$40,000 in working capital to meet its obligations in a timely manner. It is already starting to slow down on paying invoices. Labor should be in a range of 23-24%, and the store needs to increase inventory turns to 15-16 turns a year. Currently, turns are 10 ½ per year.

Controlling sales growth, margin, and labor costs are three ways to control cash flow, in addition to inventory management and inventory turns. The recent layoffs were aimed a reducing the labor costs. Laid off employees received two weeks of severance pay as well as accrued vacation pay, so the reduction in labor costs will not show up until the next fiscal quarter.

Michelle noted that she made some accounting adjustments in the Profit and Loss statement, moving the category "Other Revenues"so that it would not inflate gross margin. Michelle made some recommendations for Troy Bond to consider, to restructure Quickbooks to make the Profit and Loss Statements more accurate.

Oneota invited the NCGA (National Cooperative Grocers' Association) to the store to provide some objective assistance with the Co-op's financial situation. The NCGA is a member organization that, among other benefits, allows co-ops to purchase goods at better prices. A store audit was done in October 2008. Based on second quarter financial information, the audit team estimated that Oneota had six to eight months of cash left. What the team was not aware of was that the cash situation had become much more serious in the third quarter. An audit report was completed in late October, setting out various recommendations to improve the Co-op's financial performance.

As of December 1st, when Michelle started, there had not been enough movement to implement the audit report's recommendations to bring labor costs under control. She had to make tough decisions rather quickly.

The challenges that Oneota is facing were not brought on by the expansion. Controlling operational expenses is the struggle right now. The debt load of the Co-op is manageable, even with sales at the current projections.

The board had e-mailed Michelle a list of questions to be responded to:

1. Why are sales below projections?

The U.S. officially entered into a recession in December 2007, right around the time Oneota opened the new store. Even so, sales did well in the second quarter, then declined in the third and fourth quarters, when the various economic sectors crashed, and layoffs become more widespread in the larger economy.

2. How does the Co-op overcome that?

How can the Co-op overcome the macroeconomic situation? "It's not what you can't do; it's what you can do." The management team needs to look at a number of factors in determining whether the store has an appropriate product mix. Are the needs of current shoppers being met? Has there been enough focus on increasing the "basket size," getting current shoppers to spend more of their grocery budget at the Co-op? Are marketing programs reaching a broad enough segment of the community? How can the Co-op not only serve the existing customers, but attract new customers? There are useful recommendations along these lines in the NCGA audit report and in a Mel Braverman report that was done for the Co-op in 2005.

Michelle recommends an updated market study within the first three years in the new store to see if market penetration has changed. Is the Co-op attracting different types of customers, or is it stagnant? Until that is done, the Co-op can do customer surveys and data mining in the POS system. The NCGA has a tool called "SPINS" that collects scanning data from natural foods co-ops, to determine best-selling items. Does the Co-op carry these best-sellers? Is it missing out on popular items, or does it possibly carry items that are extraordinary, but are receiving little attention?

Oneota needs to track information that will assist department managers in answering such questions as, "Are shoppers purchasing more here now that the expansion has been completed?" Managers need weekly transaction counts and average transaction amounts. It is often easier to take better care of the existing customers than to attract new customers. Michelle has worked with Aaron Bodling to implement a weekly reporting tool that will be useful to track sales information.

3. What is Oneota's marketing plan?

Oneota does not have a formal marketing plan, and it did not have one entering into expansion. There were marketing concept papers, but they were not tied to a marketing budget or measurable goals, nor did they describe implementation time-lines or the manner in which evaluation would be done. The Co-op does need a marketing plan as part of a comprehensive business plan. The business plan can be useful in creating organizational alignment and accountability.

4. Why is the Co-op in this cash position?

Management did not control labor or manage inventory effectively. Michelle also thought the Co-op did not have sufficient cash reserves at the time the new store opened. The response to the cash flow problem was not quick enough, and the cash reserves were not sufficient to outweigh the drains on cash.

5. Is the Co-op overextended because of the expansion?

No. The debt load is reasonable and can be met with proper expense controls.

6. When did we figure out what the problem was?

The NCGA audit report came out in late October 2008. However, the Co-op's labor and inventory management issues have been ongoing for a number of years. They were not caused by the expansion. The Co-op commissioned an audit report from Mel Braverman in 2005 when it was reviewing its readiness for expansion. That report also identified labor costs and inventory turns as issues needing improvement.

7. What are the real dangers facing the Co-op?

The first danger is what would happen if Oneota's cash position deteriorated to the point where it could not pay bills to its distributors in a timely manner. Since other NCGA-member cooperatives guarantee the payment of Oneota Co-op's bill to its major distributor, United Natural Foods Incorporated (UNFI), the NCGA could demand that Oneota be put on a COD basis if it gets behind on payments. This would be an additional stress on cash flow.

Additionally, there are facilities issues that have not been addressed due to lack of cash. Right now, it is uncomfortably cold to work in the store because of trouble with the HVAC system. There is also a concern that in the summer, with the heat and humidity in the store, the Co-op could run the risk of a refrigeration breakdown. There have been quotes that it could cost up to $30,000 to fix the HVAC system, which is currently not an option due to lack of capital.

In the worst case scenario, if the Co-op is not able to control labor, reverse the negative cash flow and/or secure additional working capital, it would be unable to operate. Bankruptcy or liquidation would have to be considered.

8. How does the Co-op increase cash?

Increasing cash in this economy is difficult. It is essential to run the business well. It would be difficult to get a loan when the Co-op's financials are in this situation. The Co-op may need to look for working capital funding. There are cooperative loan funds that have been tapped in the past, but unfortunately with the current economic situation, they are more difficult to get. The more likely source of investment is from members.

9. How do we know if we get access to more cash that we won't just burn through it again?

If the Co-op continues to operate as it has in the past, there is no guarantee. Member investments would be a great way to get cash into the system quickly, but Michelle understood that members may have doubts about investing funds anywhere right now. Some basic changes have been started. A lot more needs to be done. More layoffs may be needed. It will probably require real changes in how the work of running the store happens. Michelle has been impressed with Troy's experience and understanding of grocery operations.

Michelle expressed that being the interim GM has been a very difficult job for her. It was tough to look people in the eye and know that they would have to be laid off. Unfortunately, this pressure will now have to land on Troy's shoulders. Michelle had hoped that she would be able to take care of most of the layoffs so that Troy could focus on building the business, but that may not be the case.

10. How are the Co-op's financial systems working?

The financial management needs an overhaul. There have not been enough controls or accountability, and not enough financial analysis or benchmarking done in a timely enough manner. Michelle noted that financial systems have improved in recent years. However, turnaround on financial statements needs to be quicker. A clear understanding of the actual store margin is important. Authorization for check-writing and purchasing needs to be redesigned.

11. Are we capable of using new labor and inventory systems to manage our cash?

Michelle found the majority of the management team to be bright and committed, open to learning new skills to help turn the store around. Much of what is being asked of them is new. The learning curve is steep, and management team members need to work quickly to make the necessary changes. Michelle is confident that the talent is there.

One of the challenges for the new GM will be opening employees' minds to how they do their jobs and how things could be done differently. It is easy to fall back into old ways, especially when feeling uncertain. This is a tough time for staff. Lots of them may feel uneasy, not knowing what is going to happen next. It is important to give people the facts of the situation, and Michelle is confident that Troy will continue this going forward.

12. Is there a budget and final staffing plan that has been completed?

No. A first draft has been completed. Michelle's time and attention were redirected to other issues in the past few weeks. She passed the work off to Troy.

13. Having spent some time working here, what do you see as Oneota's strengths and challenges going forward?

Often, the NCGA goes into co-ops that are struggling financially and sees major difficulties such as a dirty store or bad customer service. That has not been the case with Oneota. There is excellent customer service, a clean store and good merchandising. The biggest challenge going forward will be rebuilding working capital.

Strengths: Customer service, clean, well merchandised store, staff commitment, excellent location with good ingress/egress, excellent reputation in the community, devoted and committed membership.

Challenges: Re-building working capital, overall economy-sales growth, current gaps in management team skill set, appropriately allocating limited resources, dealing with facilities issues, building member confidence in the GM structure.

Michelle has felt a crisis of confidence at Oneota in the GM structure. People will have to come to an agreement about this, because Troy will not be able to do the job if he is not trusted to make difficult, but necessary, decisions. Michelle feels quite honored to have been able to try and help. She commends the board and wishes she could have gotten more done during her time here. She offers support to Troy and the store going forward.

<u>Board Statement</u> – Steve P. read a statement the board had prepared to respond to questions and comments received to date about the situation at the Co-op. A summary follows.

The board has heard from many members about recent changes at the Co-op. This statement addresses some of those concerns, and seeks to give information to make the recent layoffs more understandable. The board's role is to represent all of the members, those who contacted us with concerns, and those who expressed support for these tough choices.

Our store needs to cut operations to the bare bones and build some working capital in order to survive. The future of the store is at stake, and along with it, a lot of member investments. The Co-op is not immune from considerations of the business world. The board's role is to be the voice that insists we run our co-op as the business so that we may fulfill our co-op's purpose.

Why eliminate the membership-marketing position and lay off Liz Rog? The board has written a letter, recently, that outlines the reasons for the layoff decisions. The board realizes that feelings run very high; the board members' feelings run very high, as well. The board is under that same legal obligations as any organization with regard to employment relationships. Privacy and confidentiality are vital. The board understands that that by taking the position that it has regarding confidentiality, speculation may continue. However, beyond saying that legitimate business reasons lie at the heart of the layoffs, the board can say no more on the matter.

The new GM will have to determine how to accomplish the membership and marketing tasks. Signs and the Scoop are being done. Troy will need to create a marketing plan to address slow sales, and he will have to determine how to handle the member services function. We believe that we can keep our soul through these trying times, but it will require the good will and help of everyone until we get our financial feet on the ground.

Are we more than our bottom line? Yes. The Co-op exists to fulfill a purpose. But in order to achieve that purpose, we need to have a store. We must keep our attention focused on survival right now, while doing as much as we can to advance the Co-op's purpose.

How much can or should the board protect former co-managers from termination? The board recognizes the difficulty, on both sides, when former managers work under a new GM. To balance the smooth operation of the store with the financial concerns of the former managers, the board made arrangements for a transition period. However, the board has never been in a position to guarantee that any employee will not be laid off, and it cannot guarantee an individual's financial security indefinitely.

Does the board adequately oversee the GM? In the past year, the board has developed very strong routines for gathering relevant data and monitoring progress of the store. The GM is under greater scrutiny than at any time in the past. Does the board need to continue to improve its oversight? Yes. The board needs to determine how and when to use external reports, such as audit reviews, to monitor the GM’s performance. We need to ensure that financial and operations systems are giving us adequate data on a timely basis. The store needs to be able to respond quickly to factors that affect the bottom line. These data should be used for immediate decision-making by the GM, staff and board. Though it must be our goal right now, simple existence is not enough. Eventually, we must have a way to work together toward fulfilling our purpose in the community.

Is the board too isolated from staff? This summer, two separate methods were developed for staff to communicate with the board. First, staff members may contact the board as other members may, thought letters or comments at board meetings. Second, a staff survey was conducted, and the results were given to the board. This was the first time a staff survey had been done at the store. The board intends to continue working with its consultant and the GM on developing communication methods that will give information to evaluate the GM's performance in key areas.

What accounts for the tight cash situation? The Co-op did not over-extend itself with the recent expansion. The expansion debt is reasonable, as shown by the debt to equity ratio. The recession hurt sales, but even with lower sales, debt can be managed if other expenses are brought under control. High labor costs and too much cash being tied up in inventory are the main issues with regard to cash flow. The Co-op has also operated for too long without adequate financial and operations systems. Crucial data were not available to the GM and management staff in anything close to "real time," so they could not make adequate changes quickly. Many share responsibility for this, the board, managers and staff. The key to our Co-op's success is the ability to treat the Co-op like a business.

Why hasn't the Board communicated this situation to members? While the board has been doing what most board do under normal times - using newsletters, posting minutes, encouraging attendance at meetings - these are not normal times. One goal is to create additional channels for communication that will be more immediate. The board needs to hear from members on a regular basis.

What can members do? Members need to shop at the Co-op. The store needs to attract new customers and sell more to the current customers. The store needs to overcome our image, to many, as a club. We must welcome all who enter the store.

Store staff need our support and encouragement as they adjust to a differently-sized environment.

The board is clear that everyone present for this meeting wants what is best for the Co-op. The board knows that the Co-op will benefit from consistent leadership. The board is committed to continuing its goal to be the best board possible.

Signed in Cooperation,

Members of the Oneota Community Co-op Board of Directors

Steve Peterson noted that it has been challenging, but a good process for himself and for other members of the board.

<u>Member Comments</u> – Facilitator Barb Ettleson addressed the members, saying this was the time for members to speak with each other and to the board. The floor was opened for member comments. She asked that members be concise in what they said. The board will not be responding to comments immediately, but it does want to hear what members have to say.

A member asked when the questions generated at the beginning of the meeting would be addressed. Steve P. said the board is a deliberative body. It will have to think about and discuss the questions, so the responses will come later.

Many members expressed disagreement with the layoff of Liz Rog and disappointment in the manner in which it was done. They expressed the view that Liz has been the face of the Co-op in the community for many members, for many years. She was the first contact that many members had with the Co-op when they moved to the area. She was their reason for joining. They wondered what criteria were used to determine that Liz should be laid off, considering her years of experience and her many contributions to the Co-op's success. They felt that the integrity of the Co-op required honest answers. Many were unsatisfied with the rationale of cutting labor costs, since other staff members who were laid off had much less seniority.

Another subject of member comment was the view that the Co-op is more than its bottom line. It stands for larger ideals. The way it is operated, and the way it treats employees, matters in the larger picture of what the Co-op is as a business.

There was some skepticism expressed about the policy governance structure and its effectiveness. Members wanted to know how the board and general manager worked together. What was the delegation of authority to the GM, and what were the oversight mechanisms? Has the board abrogated its power? What can the board do if a GM is not performing adequately, or makes decisions that are controversial or contrary to policies? Some co-ops have a staff member position on the board of directors. Would the board consider such a position?

Many members expressed dismay over the division that the layoff was causing in the Co-op community. They hoped that the membership, board and GM could expand the possible options and find creative solutions. There are hard issues facing the Co-op, but if members are willing, ways will be found to work through them. There were suggestions for aiding the Co-op by buying more and by volunteering at the store. Even without Liz as volunteer coordinator, members who want to volunteer should try to do so. Someone suggested going directly to department managers to offer help.

Some staff members were critical of the former general manager, and critical of the board's oversight, and its response to recent events and characterization of the financial situation and history of the Co-op.

Michelle was thanked for providing an excellent financial report and for laying the groundwork for improved operational and financial systems. Many members thanked the board and Michelle for the work they have done during challenging times.

Facilitator Barb Ettleson thanked the members for their willingness to speak and to share.

<u>Board Policy Monitoring- G2: Board Role</u> – Steve P. summarized the Board monitoring report on the policy titled “Board Job Description.” The broadest policy states, “The job of the Board is to represent the member-owners in ensuring appropriate organizational performance.” The Board interprets that to mean it must communicate with members about Board business and compliance with Board policies, learn from members about their values regarding the purposes of the Co-op, operate within clearly written policies, monitor compliance with the policies, regularly reflect on the policies to see if they are sufficient to ensure efficient operations, and have in place a clear process for perpetuation of a well-run board.

Policy G2.1 requires the board to act as the link between the member-owners and the cooperative business that they own, to educate itself about their values and report periodically on board activities, decisions and compliance with the governance policies. The board communicates with members through regular columns in the Scoop. It conducts monthly board meetings with time for member comments and posts the meeting minutes. It maintains an active board email. The Board is committed to making the Board-member connection a subject of Board learning and professional improvement in the coming year. The board has, for some time, felt the need for better avenues of communication, from the board to members and from members to the board. Steve P. proposed forming an ad hoc committee to explore methods of communication.

Policy G2.2 requires the board to enact written policies that address the broadest levels of all organizational decisions and situations. These policies are generally organized into four categories: Ends, Governance Process, Board-General Manager Delegation and Executive Limitations. The board adopted new policies in the latter three categories in 2008 and has been monitoring them monthly for nine months. It has drafted new Ends policies, which appeared in a recent Scoop.

Policy G2.3 requires the board to assure general manager performance by monitoring the Ends and Executive Limitations policies. The board has been monitoring Executive Limitations for the past nine months. Ends policies have not been monitored because they are still in draft form. The board has developed some strong routines in its monitoring process, requiring follow-up reports when noncompliance is reported. The board has discussed developing a schedule of external reports and direct inspection as a way to validate the data presented in the monitoring reports. The board regularly reflects of whether the policies are adequate, and as a result, adopted a revised policy on financial monitoring to make it more effective.

Policy G2.4 requires the board to assure its own performance by monitoring the Governance Process and Board-General Manager Delegation policies. The board has been monitoring these policies for nine months and reflecting on the duties of good governance. It has identified areas that it would like to improve, namely avenues for member-board connection, validation of GM reports through external reports or direct inspection, and ways for gathering data to monitor compliance with the Staff Treatment section of the policies.

Policy G2.5 requires the board to perpetuate itself through recruitment, training and ongoing professional development. The board has benefited from participating in the Cooperative Leadership Development Program (CBLD) for education and training. It has a CBLD liaison representative, who has been a valuable consultant during the past year. The board developed a clearer process of board recruitment, which was used last fall.

The Board reports compliance in all sections of Policy G2. As a side note, although the Co-op has had a policy governance structure for over a decade, the policies were not rigorously monitored until the past year. The systematic monitoring process began after the board adopted revised policies in April 2008, which included mandates for continual monitoring. As a result of the monitoring process, it became clear to the board that there were serious financial issues. The board has been monitoring financial performance on a monthly, rather than quarterly, basis for the past six months.

Compliance was reported in all sections. The board agreed that the interpretations were reasonable, the data was adequate and supported the findings of compliance. Lyle moved to accept the report. Joan seconded. Discussion: Lyle commented about the process of policy governance, which had received some negative comments from members. He understood the saying that “it is perhaps the worst possible way to do something, except for all the rest.” Policy governance is a hard process to explain, especially in a time of crisis. The board has always had open meetings, and has provided a member comment segment on its agenda routinely for a while now. Most people don't go to the board meetings of the organizations they belong to unless they think there is a problem. The governance process has the ability make organizational course corrections happen, and it has the capacity to adjust itself. It is a means to an end. So far, it's the best method the board has found to do its job. The motion was approved unanimously.

Steve Peterson noted that the board will need to set up an ad hoc committee to explore better methods of member-board communication. The board will also note for future discussion the idea of setting up a master schedule to acquire outside verification that the GM is performing appropriately. The audit review this year was expensive, so the board will have to consider that as it sets priorities.

<u>Approval of Minutes, 12-18-08, 1-11-09, 1-15-09, 1-24-09</u> – Steve P. noted a correction in the 12-18-08 regular session minutes. In the “Bank Signature Request” section, he talked to Ben Grimstad about the transition in GM's, not “the bank.” There was not any official action that came out of the conversation. Lyle moved approval of all minutes with the correction made. Toni seconded. Approved unanimously.

<u>Check Signing Authority</u> – Troy asked that the authorization for check signing be amended to three persons, who he identified. Joan moved that the official check signers for Oneota Co-op be Troy Bond, Deb Reiling and Laura Olson. Lyle seconded. There was a member question as to whether there was an amount limit on the checks. Troy said this check writing was for payroll and payments to vendors and others necessary for store operations. There is no dollar limit specified in the policies. The motion was approved unanimously.

Next meeting date: The board will try to get back on the schedule of having its regular meetings on the 4th Tuesday of the month, beginning in March. Two board members are unavailable on that date in February. The February meeting was set for 2-19-09 at 5:00 [later changed to 2-26-09 at 5:00]. The venue was to be determined later.

Georgie moved to adjourn. Joan seconded. Approved unanimously. Meeting adjourned at 8:27pm.

Respectfully submitted,

Onita Mohr, board secretary
Carolyn Thompson, scribe

Documents reviewed: Agenda

Minutes: 12-18-2008, regular meeting and executive session
1-11-2009, special meeting and executive session
1-15-2009, special meeting and executive session
1-24-2009, special meeting and executive session

Interim Manager's Report

Profit and Loss Statement, January – December 2008

Statement of Cash Flows, January – December 2008

Balance Sheet, as of 12-31-2008

Board Policy Monitoring Report, Policy G2 – Board Role